

**Mariner International (UK) Limited**  
**Reports of the Directors and financial statements**  
**for the year ended 30 September 2021**  
**Company number 02746852**

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The Directors present their Strategic and Directors' Reports on and the unaudited financial statements of Mariner International (UK) Limited (the "Company") for the year ended 30 September 2021. The Company is a wholly owned subsidiary within the Travelopia Group of companies ("the Group"), headed in the UK by Travelopia Group Holdings Limited.

#### **STRATEGIC REPORT**

The Company's principal activity is that of a holding company for a number of entities within the Yachts and Le Boat Divisions of the Travelopia group of companies (the "Group").

#### **Review of the business**

The Company's direct and indirect trading subsidiaries comprise travel sales agents, tour operators and yacht sales companies. A list of subsidiary undertakings is provided in Note 9 of these financial statements.

To measure effectively the development, performance and position of the Company, the following Key Performance Indicators ("KPIs") are of most relevance:

	Year ended 30 September 2021 £'000	Year ended 30 September 2020 £'000
Loss on ordinary activities before taxation	-	(31,486)
Net assets	<u>32,515</u>	<u>32,515</u>

Since the Company is an intermediate parent company, its business performance and key performance indicators are driven by both the underlying operating performance of its subsidiaries and the capital structure of the Company. The Company's loss on ordinary activities before taxation for the year ended 30 September 2021 was £nil (2020: £31,486,000). Dividends of £nil (2020: £nil) were paid during the year and the Directors do not recommend the payment of a final dividend.

#### **Funding, liquidity post balance sheet events and going concern**

At 30 September 2021, the Company had net assets of £32,515,000 (2020: £32,515,000).

The continuing global travel restrictions and requirements caused by Covid-19 have significantly impacted the Company and Group's ability to deliver and operate their core products in the financial year and up to the date of signing these financial statements.

As part of their assessment of going concern, the Company's Directors have considered its funding and liquidity position together with cash flow forecasts of the Company for the period from the date of approval of these financial statements through to 31 July 2023 to determine the appropriateness of preparing the financial statements on a going concern basis. In making their assessment, they have made enquiries to the Directors of the ultimate parent company of the Travelopia Group, namely Travelopia Group Holdings Limited ('TGHL') to obtain an understanding of the actual and forecast liquidity position and funding requirements of the Travelopia Group over the assessment period.

During the year, the Group has generated over £25m of additional liquidity through inventory financing in the Yachts division and sale and lease back of part of the Le Boat fleet. Additionally, TCS World Travel has sub-let one of its two leased planes to offset the associated lease costs, whilst Quark Expeditions has also been successful in renegotiating terms to delay and reduce payments for its leased expedition ships. The acquisition of the Ultramarine ship has been financed largely with new long-term debt. The Directors have continued to give regular business updates to the Group's merchant card acquirers and other key stakeholders of the Group and risks and exposures are being managed.

**STRATEGIC REPORT (continued)**

***Funding, liquidity post balance sheet events and going concern (continued)***

Prior to the year end, the Group agreed amended terms of its banking facilities with the Senior Lenders, which extended the repayment dates of the £100.0m term loan and £80.0m revolving credit facility to 15 December 2025 and 15 September 2025 respectively. Further, the Net Debt to Adjusted EBITDA ratio covenant ('net debt covenant') testing holiday was extended for a period of two years, such that the next covenant test is now 30 September 2023. The minimum liquidity covenant that was put in place last year has been extended in the interim period and has been satisfied throughout the year and up to the date of signing these financial statements.

As part of the agreement with its Senior Lenders, £35m of additional shareholder borrowing has been received by TGHL subsequent to the financial year end, together with a commitment of further funding, should it be necessary.

The Group continues to prepare 13-week rolling cashflow forecasts, together with monthly forecasts for the financial year ending 30 September 2022 ('FY22'). The Group has agreed its Budget for the year ended 30 September 2022 ('FY22 Budget') and Strategic Plan covering the financial period to 30 September 2024 with its ultimate shareholders. The latest FY22 forecast and Strategic Plan form the basis of the Directors' going concern assessment, with the term used in the assessment being the period to 31 July 2023.

The forecast used in the assessment assumed some recovery of global travel in FY22 with a further recovery in FY23 and beyond. As a result of the actions taken in the last two years to reduce costs, the additional fleet financing taken on and stronger than expected bookings and rebookings being seen for FY22 and beyond, the Group started FY22 in a strong position and ahead of budgeted expectations. The forecast assumed a slow return to travel, with some recovery assumed in the second half ('H2') of FY22 with the Group's cash low points in the assessment period being expected in the second quarter of FY22. As continued disruption was assumed over the first half of the financial year, neither the Russian/Ukrainian conflict nor the Ómicron variant has materially impacted the FY22 outlook as at the date of signing these financial statements.

The global roll out of Covid-19 vaccines and recent commencement of relaxation of some global travel restrictions has improved consumer confidence and while the Ómicron variant led to some set back over the first few months of 2022, the Directors consider the current outlook to be positive. Whilst there continues to be some uncertainty around the duration and extent of global travel restrictions, the Directors have been prudent in their planning assumptions. The FY22 forecast takes into account the limited Antarctic operations (Winter 2021/22) for Quark Expeditions, significantly impacted TCS operations and assumes a delayed re-opening of long haul travel. It also takes into account the strong performance of Yacht sales and charter over Winter 21/22, driven predominantly by US customers travelling to the Caribbean. Even with this set of prudent planning assumptions, the Directors do not anticipate any additional funding from its shareholders will be necessary over the going concern assessment period.

In assessing the Group's going concern outlook, the FY22 forecast has been sensitised to model and assess the potential impact of a further delay in the recovery of travel. Severe but plausible sensitivities to both revenues and variable costs have been applied to each applicable business over the assessment period. The FY23 forecast assumes that any remaining global restrictions are manageable such that travel can return towards that seen before the global pandemic. The Directors anticipate that even in a severe downside scenario, the liquidity available to the Group from committed funding is sufficient to enable it to continue trading as a going concern and therefore the Directors have concluded that it is appropriate to prepare these financial statements on a going concern basis of accounting without the inclusion of a material uncertainty statement.

The Company's Directors have also obtained a letter of support from the Directors of TGHL to confirm that they intend to provide the Company with sufficient liquidity, should it be necessary, to continue to trade as a going concern for the foreseeable future. With an expectation that any additional funding will be received should it be required, the Directors have a reasonable expectation that the Company can continue in existence for the foreseeable future. Accordingly, they have concluded that it is appropriate to prepare these financial statements on a going concern basis and therefore do not include any adjustments that would result if the Company were unable to continue as a going concern.

**STRATEGIC REPORT (continued)**

**Principal risks and uncertainties**

Successful management of existing and emerging risks is critical to the long-term success of our Group and to the achievement of our strategic objectives. Some levels of business risk must be accepted to seize market opportunities and achieve these objectives. Risk management is therefore an integral component of the Company's governance and oversight.

The Covid-19 pandemic continues to impact the travel industry as fluctuating case rates and differing global vaccination and testing requirements dampen demand. The Directors continue to monitor developments closely so that swift action can be taken to update policies and procedures in response to the ever-changing situation, with a view to restarting operations at meaningful levels in each business as soon as it is possible to do so.

Set against the evolving macroeconomic global environment and the Covid-19 global pandemic, the principal risks and uncertainties are:

- **Profitability of the Company's subsidiaries and dividends received.** Dividends received from the Company's subsidiaries are variable and the timing and amount of each dividend is dependent upon the long-term success and profitability of each subsidiary. Since the majority of the Company's profits are generated by dividends received from its subsidiaries, the Company's profitability from one year to another can vary significantly.
- **Recoverability of the carrying value of investments.** The Company provides capital to its subsidiary undertakings when necessary in order to promote their long-term development and success. The recoverability of each investment will depend upon this long-term success and the future cash flows that are expected to be generated by each subsidiary. To the extent that the future cash flows do not support the carrying value of the investment, an impairment is required to be recognised in the Company's statement of total comprehensive income.

On behalf of the Board



S B M Cross  
Director

Company Number 02746852

Dated 21/06/22

## DIRECTORS' REPORT

### Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

P V Y Cochran

S B M Cross

O R Goodarzi (resigned 16 March 2021)

C A Norton (appointed 16 March 2021)

### Directors' insurance

Throughout the financial year, an intermediate parent company, Travelopia Holdings Limited, maintained Directors' and Officers' Liability insurance policies on behalf of the Directors of the Company. These policies meet the Companies Act 2006 definition of a qualifying third-party indemnity provision.

### Audit exemption statement

For the financial period ended 30 September 2021, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its financial statements for the financial period in question in accordance with Section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

### Business review

A fair review of the business, including an analysis of the performance and financial position of the Company, together with details of key performance indicators, dividends, funding and liquidity, future developments and post balance sheet events are included within the Strategic Report.

### Statement of Directors' responsibilities

The Directors are responsible for preparing the Reports of the Directors and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101").

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

**DIRECTORS' REPORT (continued)**

**Statement of Directors' responsibilities (continued)**

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board



S B M Cross  
Director

Company Number 02746852

Dated 21/06/22

**Mariner International (UK) Limited**  
**Statement of comprehensive income for the year ended 30 September 2021**

		Year ended 30 September 2021 £'000	Year ended 30 September 2020 £'000
	Note		
Administrative expense		-	(31,486)
Loss on ordinary activities before taxation	6	-	(31,486)
Tax expense	8	-	-
Loss for the financial year attributable to owners of the parent		-	(31,486)
Total comprehensive loss for the year attributable to owners of the parent		-	(31,486)

**Mariner International (UK) Limited**  
**Balance sheet as at 30 September 2021**

		30 September 2021 £'000	30 September 2020 £'000
	Note		
<b>Non-current assets</b>			
Investments in subsidiaries	9	18,945	18,945
		<u>18,945</u>	<u>18,945</u>
<b>Current assets</b>			
Trade and other receivables	10	13,566	13,566
Cash and cash equivalents		4	7
		<u>13,570</u>	<u>13,573</u>
<b>Total assets</b>		<u>32,515</u>	<u>32,518</u>
<b>Current liabilities</b>			
Income tax – group relief payable		-	(3)
		<u>-</u>	<u>(3)</u>
<b>Total liabilities</b>		<u>-</u>	<u>(3)</u>
<b>Net assets</b>		<u>32,515</u>	<u>32,515</u>
<b>Equity</b>			
Called up share capital	11	-	-
Share premium account	12	12,711	12,711
Capital redemption reserve	12	105	105
Profit and loss account	12	19,699	19,699
<b>Total equity attributable to owners of the parent</b>		<u>32,515</u>	<u>32,515</u>

The notes on pages 9 to 16 form part of these financial statements.

**Audit exemption statement**

For the financial period ended 30 September 2021, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its financial statements for the financial period in question in accordance with Section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

**Approval and authorisation for issue**

The financial statements on pages 6 to 16 were approved and authorised for issue by the Board of Directors and signed on its behalf by:



S B M Cross  
Director

Date: 21/06/22

Company number 02746852



**Mariner International (UK) Limited**  
**Statement of changes in equity for the year ended 30 September 2021**

	Note	Called up share capital £'000	Share premium account £'000	Capital redemption account £'000	Profit and loss account £'000	Total Equity £'000
At 1 October 2019		-	12,711	105	51,185	64,011
Total comprehensive loss for the year		-	-	-	(31,486)	(31,486)
At 30 September 2020		-	12,711	105	19,699	32,515
Total comprehensive result for the year		-	-	-	-	-
At 30 September 2021		-	12,711	105	19,699	32,515

**1. General information**

The Company is a private limited company incorporated and domiciled in England. The address of its registered office is Origin One, 108 High Street, Crawley, West Sussex, RH10 1BD. The Company's registered number is 02746852.

The principal activity of the Company continues to be that of an intermediate holding company within the Travelopia group of companies (the "Group").

**2. Basis of preparation**

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These separate financial statements have been prepared under the historical cost convention, on a going concern basis and in accordance with the Companies Act 2006 and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

**Going Concern**

At 30 September 2021, the Company had net assets of £32,515,000 (2020: £32,515,000).

The continuing global travel restrictions and requirements caused by Covid-19 have significantly impacted the Company and Group's ability to deliver and operate their core products in the financial year and up to the date of signing these financial statements.

As part of their assessment of going concern, the Company's Directors have considered its funding and liquidity position together with cash flow forecasts of the Company for the period from the date of approval of these financial statements through to 31 July 2023 to determine the appropriateness of preparing the financial statements on a going concern basis. In making their assessment, they have made enquiries to the Directors of the ultimate parent company of the Travelopia Group, namely Travelopia Group Holdings Limited ('TGHL') to obtain an understanding of the actual and forecast liquidity position and funding requirements of the Travelopia Group over the assessment period.

During the year, the Group has generated over £25m of additional liquidity through inventory financing in the Yachts division and sale and lease back of part of the Le Boat fleet. Additionally, TCS World Travel has sub-let one of its two leased planes to offset the associated lease costs, whilst Quark Expeditions has also been successful in renegotiating terms to delay and reduce payments for its leased expedition ships. The acquisition of the Ultramarine ship has been financed largely with new long-term debt. The Directors have continued to give regular business updates to the Group's merchant card acquirers and other key stakeholders of the Group and risks and exposures are being managed.

Prior to the year end, the Group agreed amended terms of its banking facilities with the Senior Lenders, which extended the repayment dates of the £100.0m term loan and £80.0m revolving credit facility to 15 December 2025 and 15 September 2025 respectively. Further, the Net Debt to Adjusted EBITDA ratio covenant ('net debt covenant') testing holiday was extended for a period of two years, such that the next covenant test is now 30 September 2023. The minimum liquidity covenant that was put in place last year has been extended in the interim period and has been satisfied throughout the year and up to the date of signing these financial statements.

As part of the agreement with its Senior Lenders, £35m of additional shareholder borrowing has been received by TGHL subsequent to the financial year end, together with a commitment of further funding, should it be necessary.

The Group continues to prepare 13-week rolling cashflow forecasts, together with monthly forecasts for the financial year ending 30 September 2022 ('FY22'). The Group has agreed its Budget for the year ended 30 September 2022 ('FY22 Budget') and Strategic Plan covering the financial period to 30 September 2024 with its ultimate shareholders. The latest FY22 forecast and Strategic Plan form the basis of the Directors' going concern assessment, with the term used in the assessment being the period to 31 July 2023.

## 2. Basis of Preparation (continued)

### Going Concern (continued)

The forecast used in the assessment assumed some recovery of global travel in FY22 with a further recovery in FY23 and beyond. As a result of the actions taken in the last two years to reduce costs, the additional fleet financing taken on and stronger than expected bookings and rebookings being seen for FY22 and beyond, the Group started FY22 in a strong position and ahead of budgeted expectations. The forecast assumed a slow return to travel, with some recovery assumed in the second half ('H2') of FY22 with the Group's cash low points in the assessment period being expected in the second quarter of FY22. As continued disruption was assumed over the first half of the financial year, neither the Russian/Ukrainian conflict nor the Omicron variant has materially impacted the FY22 outlook as at the date of signing these financial statements.

The global roll out of Covid-19 vaccines and recent commencement of relaxation of some global travel restrictions has improved consumer confidence and while the Omicron variant led to some set back over the first few months of 2022, the Directors consider the current outlook to be positive. Whilst there continues to be some uncertainty around the duration and extent of global travel restrictions, the Directors have been prudent in their planning assumptions. The FY22 forecast takes into account the limited Antarctic operations (Winter 2021/22) for Quark Expeditions, significantly impacted TCS operations and assumes a delayed re-opening of long haul travel. It also takes into account the strong performance of Yacht sales and charter over Winter 21/22, driven predominantly by US customers travelling to the Caribbean. Even with this set of prudent planning assumptions, the Directors do not anticipate any additional funding from its shareholders will be necessary over the going concern assessment period.

In assessing the Group's going concern outlook, the FY22 forecast has been sensitised to model and assess the potential impact of a further delay in the recovery of travel. Severe but plausible sensitivities to both revenues and variable costs have been applied to each applicable business over the assessment period. The FY23 forecast assumes that any remaining global restrictions are manageable such that travel can return towards that seen before the global pandemic. The Directors anticipate that even in a severe downside scenario, the liquidity available to the Group from committed funding is sufficient to enable it to continue trading as a going concern and therefore the Directors have concluded that it is appropriate to prepare these financial statements on a going concern basis of accounting without the inclusion of a material uncertainty statement.

The Company's Directors have also obtained a letter of support from the Directors of TGHL to confirm that they intend to provide the Company with sufficient liquidity, should it be necessary, to continue to trade as a going concern for the foreseeable future. With an expectation that any additional funding will be received should it be required, the Directors have a reasonable expectation that the Company can continue in existence for the foreseeable future. Accordingly, they have concluded that it is appropriate to prepare these financial statements on a going concern basis and therefore do not include any adjustments that would result if the Company were unable to continue as a going concern.

### FRS 101

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined by Financial Reporting Standard 100 'Application of financial reporting requirements' ("FRS 100") which addresses the financial requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards ("IFRS").

The Company continues to use FRS 101 as its basis of accounting. The Company has also elected to early adopt both the provisions of Statutory Instrument 2015 No.980 'The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015' ("SI 980") and FRS 101 (September 2015) which permit the use of the formats prescribed in International Accounting Standard 1 'Presentation of financial statements' ("IAS 1") for the primary statements, as opposed to using the formats prescribed by Companies Act 2006.

### Functional and presentational currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in the Company's functional currency of Sterling, rounded to the nearest thousand pounds, unless stated otherwise.

**3. Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to the financial period presented, unless stated otherwise.

**New standards, amendments and interpretations**

The Company has applied the following amendments to existing standards as follows:

***Amendments to IAS 1 and IAS 8 on the definition of material***

The amendments: i) use a consistent definition of materiality throughout IFRSs; ii) clarify the explanation of the definition of material; and iii) incorporate some of the guidance in IAS 1 about immaterial information. As this amendment is providing clarification of a definition intended to improve disclosures, this has not impacted the Company's results or disclosures in either financial year.

***Other new amendments***

The amendments to IFRS 3 – Definition of a business and to IFRS 9, IAS 39 and IFRS 7 – Interest rate benchmark reform – Phase 1 have not had any impact on the Company's results in the current or previous financial year.

**Investments in subsidiaries**

Investments are recognised at cost less accumulated impairment losses.

**Financial assets**

The Company classifies its financial assets at amortised cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's financial assets at amortised cost comprise receivables in the balance sheet.

**Impairment of financial assets**

The Company's financial assets held at amortised cost are assessed at the end of each reporting period for impairment. Impairment losses are incurred only if there is objective evidence of the impairment as a result of one or more events after the initial recognition of the asset (a 'loss event') and that the loss event has an impact on the estimated future cash flows of the asset that can be reliably estimated.

**Trade and other receivables**

Trade and other receivables are amounts due from Group undertakings. If collection is expected in one year or less, they are classified as current assets, if not, they are presented as non-current assets. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Company recognises a loss allowance for expected credit losses on all receivable balances from customers subsequently measured at amortised cost, using the 'simplified approach' permitted under IFRS 9.

**Cash and cash equivalents**

Cash comprises cash at bank. The Company does not invest in deposits held on call with banks or other short-term highly liquid investments.

**Trade and other payables**

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from Group undertakings. If payment is expected in one year or less they are classified as current liabilities, if not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost.

**Foreign currency translation**

Foreign currency transactions are initially translated into the Company's functional currency using the actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate prevailing on the balance sheet date. Foreign exchange gains and losses resulting from translation to year-end rates are recognised in the statement of total comprehensive income.

### 3. Summary of significant accounting policies (continued)

#### Finance expense

Finance expense recognised in the statement of total comprehensive income comprises interest expense on amounts due to Group direct and indirect subsidiaries.

#### Current tax

The tax expense for the year comprises current tax and is recognised in the statement of total comprehensive income. Current tax is the expected tax payable (or recoverable) for the current financial year using the average tax rate for the year. To the extent available, the amount is first recovered from, or surrendered to, other Group companies as group relief.

#### Called up share capital

Ordinary shares are classified as equity.

#### Dividends

Dividend distribution to the Company's shareholders is recognised in the Company's financial statements in the period in which the dividends are approved for payment

### 4. Reduced disclosures permitted by FRS 101

The Company meets the definition of a qualifying entity of Tim Midco Limited, as defined by FRS 100, as the results of this Company are fully consolidated into the Group financial statements of Tim Midco Limited. Details for obtaining the Group financial statements of Tim Midco Limited can be found in Note 12. Where applicable and required by FRS 101, equivalent disclosures have been provided in the Group's consolidated financial statements in accordance with the Application Guidance to FRS 100. As such, the Company has taken advantage of the following disclosure exemptions as set out in paragraph 8 of FRS 101:

IFRS	Relevant paragraphs of IFRS	Disclosure exemptions taken
IFRS 7 'Financial instruments'	All paragraphs	All disclosure requirements.
IFRS 13 'Fair value measurement'	91 to 99	All disclosure requirements in respect of the valuation techniques and inputs used for the fair value measurement of assets and liabilities.
IAS 1 'Presentation of financial statements'	38	Paragraph 79(a)(iv) of IAS 1.
	38 A to D	Certain additional comparative information.
	10(d) and 111	A statement of cash flows and related information.
	10(f) and 40 A to D	A balance sheet as at the beginning of the preceding financial period when an entity applies an accounting policy retrospectively or when it reclassifies items in its financial statements.
	16	A statement of compliance with all IFRS.
	134 to 136	Information on the Company's objectives, policies and processes for managing capital.
IAS 7 'Statement of cash flows'	All paragraphs	IAS 7 disclosures in full.
IAS 8 'Accounting policies, changes in accounting estimates and errors'	30 and 31	New standards and interpretations that have been issued but which are not yet effective.
IAS 24 'Related party transactions'	17 and the requirements to disclose transactions between two group subsidiaries.	Detailed related party transaction information including key management compensation and transactions with other wholly-owned subsidiaries of the Group.

**5. Critical accounting estimates and judgments**

The preparation of financial statements in conformity with FRS 101 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis.

The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are material to the carrying value of assets, liabilities and total comprehensive income for the year are disclosed as follows:

**a) Investments in subsidiary undertakings**

Judgement is required in the assessment of the carrying amount of the investments in the Company's direct undertakings. Estimation of the recoverable amount of investments requires the Company to assess future cash flows projected to be generated by the subsidiary, which in turn is dependent upon a variety of factors including prevailing economic conditions and consumer demand for that entity's products.

**b) Expected credit losses on amounts due from Group undertakings**

At 30 September 2021, the Company recognised £13,564,000 (2020: £13,561,000) of amounts due from Group undertakings. IFRS 9 requires the Directors to assess whether the credit risk on a financial asset has increased significantly since initial recognition, as well as the expected credit losses from that financial asset, both of which require significant judgement. In undertaking this assessment, the Directors of the Company have had regard for the matters outlined in Note 2 of these financial statements and have obtained a letter of support from Travelopia Group Holdings Limited confirming its intention to provide sufficient financial support to enable fellow Group subsidiaries to repay amounts due to the Company as they fall due. Following this assessment, the Directors have estimated the expected credit losses in respect of these amounts to be £nil (2020: £nil) and are thus satisfied that no impairment charge is required to be recognised in the income statement.

**6. Loss on ordinary activities before taxation**

	Year ended 30 September 2021 £'000	Year ended 30 September 2020 £'000
Loss on ordinary activities before taxation is stated after charging:		
Impairment of investments in subsidiary undertakings	-	31,486

The Company is exempt from an audit in the current and prior financial year.

**7. Employees' and Directors' remuneration**

The Company had no employees and therefore incurred no related employee costs in the current or preceding financial year.

**Directors' remuneration**

The details of Directors' remuneration for services provided to the Company and its subsidiaries are as follows:

	Year ended 30 September 2021 £'000	Year ended 30 September 2020 £'000
Directors' remuneration	517	649
Pension contributions	29	21
	<u>546</u>	<u>670</u>

The remuneration above is in respect of qualifying services of three directors (2020: 2) and was paid by a fellow subsidiary undertaking which makes no recharge to the Company. The other directors received no remuneration for their services as Directors of the Company (2020: £nil). These directors are directors of a number of fellow subsidiary companies and their remuneration was paid by another Group company, which makes no recharge to the Company (2020: £nil). It is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries.

**8. Tax expense**

**(i) Analysis of tax charge in the year**

There is no tax charge in either the current or the prior year.

**(ii) Factors affecting the tax expense in the year**

The differences between the total tax expense and the loss on ordinary activities at the standard rate of corporation tax in the UK of 19% (2020: 19%) are shown in the table below:

	Year ended 30 September 2021 £'000	Year ended 30 September 2020 £'000
Loss on ordinary activities before taxation	-	(31,486)
Loss on ordinary activities multiplied by the effective standard rate of UK corporation tax of 19% (2019: 19%)	-	(5,982)
Effects of:		
- Expenses not deductible for tax purposes	-	5,982
<b>Total tax expense in the statement of total comprehensive income</b>	<u>-</u>	<u>-</u>

**(iii) Factors affecting the future tax charge**

In May 2021, the UK Government's proposed increase in the main rate of UK corporation tax from 19% to 25% from 1 April 2023 was substantively enacted. As a result, deferred tax assets and liabilities have been calculated at the new rate.

There are no unrecognised deferred tax assets or unprovided deferred tax liabilities at either 30 September 2021 or 30 September 2020.

9. Investments in subsidiaries

	Investments in subsidiary undertakings £'000
At 1 October 2020 and at 30 September 2021	
Cost	83,412
Impairment	(64,467)
Net book value	<u>18,945</u>

List of investments in subsidiaries at 30 September 2021:

Name of undertaking	Country of incorporation	Registered address	Share class	% held by directly by the Company	Total % held by Group companies
Alkor Yat Turizm Isletmeciligi AS	Turkey	Tuzla Mahallesi 556, Sokak No: 6/A, Fethiye, Mugla, Turkey	TRY0.10 Ordinary shares	0.00	99.95
Crown Blue Line France SAS	France	Le Grand Bassin, 11400 Castlenaudary.	€16.00 Ordinary shares	0.00	100.00
Crown Blue Line GmbH	Germany	Theodor-Heuss-Strasse 53-63B, 61118, Bad Vilbel, Germany	€1.00 Ordinary shares	0.00	100.00
Crown Holidays Limited	United Kingdom	Origin One, 108 High Street, Crawley, West Sussex, RH10 1BD	£0.50 Ordinary shares	100.00	100.00
FCM (BVI) Limited	British Virgin Islands	c/o Belmont Trust Limited, Belmont Chambers, Tropical Isle Bldg, Nibbs Street, Road Town, Tortola, VG1110.	US\$100.00 Ordinary shares	1.00	100.00
Hellenic Sailing Holidays SA	Greece	Marina Zeas, Freattyda, PO Box 18536, Piraeus, Greece	€3.00 Ordinary shares	0.00	100.00
Hellenic Sailing SA	Greece	Marina Zeas, Freattyda, PO Box 18536, Piraeus, Greece	€30.00 Ordinary shares	16.83	100.00
Mariner International Grenada Limited	Grenada	Nos. 4 & 6 Lucas Street, St. George's.	XCD1.00 Ordinary shares	0.00	100.00
Mariner International Travel (UK) Limited	United Kingdom	Origin One, 108 High Street, Crawley, West Sussex, RH10 1BD	£0.05 Ordinary shares	100.00	100.00
Mariner Yachts (Proprietary) Limited	South Africa	2nd Floor Marina Centre, Lobby 1, West Quay Road, V&A Waterfront.	ZAR1.00 Ordinary shares	0.00	100.00
Maxi Yen SL	Spain	Jose Rover Motta, 27, 07006 Palma de Mallorca.	ESP1,000.00 Ordinary shares	0.00	100.00
Sunsail (Antigua) Limited	Antigua and Barbuda	9 Factory Road, St John's.	XCD1.00 Ordinary shares	0.00	100.00
Sunsail (Australia) Pty Limited	Australia	Suite 1502, 275 Alfred Street, North Sydney NSW 2060.	AUD1.00 Ordinary shares	100.00	100.00
Sunsail (Seychelles) Limited	Seychelles	Eden Marina, Eden Island, Mahe, Seychelles.	INR100.00 Ordinary shares	0.00	100.00
Sunsail (Thailand) Co Limited	Thailand	Phuket Boat Lagoon, 20/5 Moo 2, Thepkasattri Road, Koh Kaew, Phuket, 83200.	THB100.00 Ordinary B shares	0.00	100.00
Sunsail Adriatic d.o.o.	Croatia	Ljudevita Posavskog 4, Split, 21000.	HRK38,999,700.00 Ordinary shares	0.00	100.00
Sunsail Hellas Mepe	Greece	Apollonos 12, P.Falio 17561, Athens.	€30.00 Ordinary shares	0.00	100.00
Sunsail Spain S.L.	Spain	Sunsail Spain SL, Marina Naviera Balear, Paseo Maritimo 4, 07014 Palma de Mallorca Espana	€1.00 Ordinary shares	0.00	100.00
Sunsail Worldwide Sailing (St Vincent) Limited	Saint Vincent and the Grenadines	The Lagoon Marina & Hotel, Ratho Mill, Box 133, Kingstown.	XCD Common of no par value shares	0.00	100.00
Sunsail Worldwide Sailing Limited	United Kingdom	Origin One, 108 High Street, Crawley, West Sussex, RH10 1BD	£0.05 Ordinary shares	100.00	100.00
Versun Yachts NSA	Greece	Marina Zeas, Freattyda, PO Box 18536, Piraeus, Greece	€30.00 Ordinary shares	0.00	100.00

The Directors believe that the book value of all existing investments is supported by the higher of underlying net assets or their recoverable value.



9. Trade and other receivables

	30 September 2021 £'000	30 September 2020 £'000
Other debtors	2	2
Amounts due from Group undertakings	13,564	13,564
	<u>13,566</u>	<u>13,566</u>

**Amounts due from Group undertakings**

Amounts due from Group undertakings are unsecured, interest free and repayable on demand.

10. Called up share capital

	30 September 2021 £'000	30 September 2020 £'000
Issued and fully paid		
1,000 (2020: 1,000) ordinary shares of £0.05 each	-	-

11. Other reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share premium reserve	Amount subscribed for share capital in excess of nominal value.
Capital redemption reserve	Amounts transferred from share capital on redemption of issued shares.
Profit and loss account	All other net gains and losses and changes in equity arising from transactions with owners (e.g. dividends) not recognised elsewhere.

12. Ultimate parent company and controlling party

The ultimate controlling party of the Company is KKR & Co Inc., on behalf of funds under its management. The immediate parent company is Travelopia Holdings Limited.

The smallest Company in which the results of the Company are consolidated is that headed by TIM Midco Limited and the largest Company in which the results of the Company are consolidated is that headed by Travelopia Group Holdings Limited. Copies of the Tim Midco Limited and Travelopia Group Holdings Limited financial statements are available from the Company Secretary, Travelopia Holdings Limited, Origin One, 108 High Street, Crawley, West Sussex, RH10 1BD. No other financial statements include the results of the Company.